

can play a useful role, both singly and in combination; that to cut \$5 billion to \$10 billion, unless the private economy is booming, unless there is a good deal more bounce in the economy that we now have, or unless we are able, by other means, to fill the gap, a cut of \$5 billion to \$10 billion from the proposed budget would harm both the Nation and the typical neighborhood in it; and that the right way to a balanced budget is to seek first a balanced economy. The tax cuts I have proposed, and the level of expenditures I have proposed, have been carefully fitted together with this objective in mind. And we cannot look at the history of the last 5 years without realizing, regardless of our political views, how important it is that the United States avoid periodic recessions.

So to move from a recession in '58 to a recession in '60 brings not only a sharp increase in unemployment, brings not only massive budget deficits, brings not only an increase in the outflow of gold and dollars. The fall of 1960 saw the greatest outflow of dollars and gold in our history, which was tied directly to the coming recession in the fall and winter of 1961.

With all that experience behind us, it seems to me that we should study with the greatest possible care the role of private taxes in our economy, the role of local, State, and national expenditures, in order to make sure that we take no action out of prejudice or out of ancient views which can tip this economy from its present chances of rising into a downturn. There will be debate as to detail. There will be differences of dimensions and degree, but I think we should get on with the main task of strengthening the American Nation, of opening a road on which all of us can travel to serve in the future as we have in the past, not only as an inspiration to the world but also as an example.

Thank you.

[A question and answer period followed.]

[1.] Lee Hills, President, American Society of Newspaper Editors: The largest number of questions today are on the subject

of Cuba. There are a dozen or so asking, sir, if you would give us your views or whatever you have to say about Miró Cardona and his charges that you backed down on a promise for a second invasion, and the other things in his statement.

THE PRESIDENT. Why, I think the Department of State has already made a comment which represents the views of the Government. Dr. Cardona lives in Miami, which is the center, of course, of the exiles, the center of their hopes. I think that a good many Cubans feel that the only way that they can return to Cuba is by military action of the United States.

We, conscious of our obligations to our own people, our own security, our alliances, our responsibilities, as I said, as the chief defender of freedom all over the world, we have not determined that it is in our national interest or in the general interest of the hemisphere for us to launch an invasion. Naturally, that disappoints the exiles, but as the State Department statement said, the foreign policy of the United States, when so much depends upon us, must be made by the United States, and however much we may sympathize with their desire to be free, the United States cannot launch itself into a massive invasion of Cuba without considering the worldwide implications to other free countries and also its effect upon our own position.

Now, as to his charges, I don't think it is necessary to go through them. Quite obviously, nobody in the United States Government ever informed anyone in the Government or outside the Government, Dr. Cardona or anyone else, that we were going to launch, committed ourselves to launch, a military invasion with six divisions. We appreciate very much the fact that a good many Cubans have volunteered for the American Armed Forces. I think that they can be very valuable there. No one knows what the future is going to bring.

But I hope that Dr. Cardona and others will realize that this is not a struggle between the United States and the exiles. It is really

a struggle against the Communist infiltration in this hemisphere, and while we may disagree as to what actions we should take to remove it, and while my obligations are somewhat different from Dr. Cardona's, I would hope that it would be possible for us to work together in the general interest. That is the object of this Government. We want to work with Dr. Cardona and all the other Cubans, but we must maintain the control of our policy here in the United States and here in Washington and will continue to do so.

Mr. Harris: I would like to read two others here, also on the question of Cuba.

If Castro remains in power for another 5 years, will the United States continue in its refusal to deal with his government?

The second one is: Two years ago tomorrow, Mr. President, you stood here and told us Fidel Castro's days were numbered. You said, "Our restraint is not inexhaustible." You said we must not let "the inter-American doctrine of noninterference conceal or excuse a policy of nonaction."

Now, sir, Communist domination of Cuba is, if anything, more complete than 2 years ago and is stiffened by Russia. Many Americans believe our policy towards Cuba is indeed one of nonaction. What can you say to persuade them that this is not so? When, if ever, is our restraint going to come to an end?

THE PRESIDENT. Well, I hope our restraint or sense of responsibility will not ever come to an end.

Now, on the general question, since the last 2 years, the United States has taken a good many actions to contain the spread of communism in the hemisphere. A good many nations in the Alliance for Progress, through the Punta del Este Declaration, through the San Jose Declaration, a number of nations have broken off diplomatic relations. Only five continue them with Cuba.

The free world trade has dropped from \$800 million to \$80 million. The—efforts are being made since the San Jose conference to work with other countries to control the

movement of personnel in and out of Cuba.

It is quite obvious now to the hemisphere and, in fact, to the world that Castro is only a Soviet satellite. Every survey, every study, every meeting shows a sharp deterioration in the image that he once had as a great nationalist leader. And now he's generally regarded in the hemisphere as having sold out to the Communist movement and having now become a spearhead for the Soviet advance.

In addition, the United States maintains a constant surveillance. We have indicated that we would not permit any troops from Cuba to move off the island of Cuba in any offensive action against any neighboring country. We have indicated also that we would not accept a Hungary in Cuba, the use of Soviet troops against Cubans if there was any internal reaction against Castro. In many ways we have attempted to isolate Cuba and to indicate our determination to continue that policy until Cuba is free.

Now, after we have done all those steps, there are two additional policies which could be carried out. I think that when those talk about Cuba, we ought to say what we want to do. We shouldn't say, "Well, let's do something," or "How long is our restraint going to last?" I would think the two remaining policies are, one, a blockade which of course brings us once again to a confrontation with the Soviet Union, and the other is invasion of Cuba. In my judgment, it would be a mistake to carry out either one of those policies today.

I don't know what conditions are going to bring in the future. No one predicted with certainty what was going to happen last fall. I don't know what is going to happen anywhere in the world. Therefore, I think that we should maintain our strength and our determination, but I don't think that it would serve the interests of the United States or of our allies to carry out either an invasion or blockade under these present conditions.

The United States is responsible for the independence of dozens of countries stretching from South Korea to Berlin. It is re-